

Assembly Bill No. 2270

Passed the Assembly August 12, 2008

Chief Clerk of the Assembly

Passed the Senate August 7, 2008

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 10004.6, 10633, 13523.1, 13576, and 13577 of, and to add Sections 13148 and 13523.3 to, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2270, Laird. Recycled water: water quality.

(1) Existing law establishes a statewide recycling goal of 700,000 acre-feet of water by 2000 and 1,000,000 acre-feet of water by 2010. Existing law requires the Department of Water Resources to prepare and update every 5 years the California Water Plan, which is the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state. Existing law requires each urban water supplier to prepare, and update every 5 years, an urban water management plan with specified components, including information, to the extent available, on recycled water and its potential for use as a water source in the service area of the urban water supplier.

This bill would refer to the statewide recycling goals as targets, and would require the department to update these targets every 5 years, based on consideration of all relevant information, including, but not limited to, specified information from the State Water Resources Control Board and urban water management plans. The department would be required to include the revised targets in the California Water Plan beginning in 2013. The bill would require an urban water supplier to include in its urban water management plan information on recycled water, including, in acre-feet of water per year, a description of the quantity of treated wastewater that meets recycled water standards, a description and quantification of the potential uses of recycled water, and the projected use of recycled water within the supplier's service area.

(2) Existing law authorizes each California regional water quality control board to issue a master reclamation permit to a supplier or distributor of recycled water and requires the permittee to submit quarterly reports summarizing recycled water use.

This bill would instead require the permittee to submit the recycled water use information on an annual basis. The bill would require any person that is authorized to supply or distribute recycled water to annually report to the state board the amount of recycled water supplied or distributed in the previous year, as specified.

(3) Existing law requires the state board to formulate and adopt state policy for water quality control. Regional boards are required to establish water quality objectives in water quality control plans. Under existing law, a local agency, by ordinance, may limit the availability, or prohibit the installation, of residential water softening or conditioning appliances that discharge to the community sewer system if the local agency makes certain findings and includes them in the ordinance.

This bill would authorize any local agency that maintains a community sewer system to take action to control residential salinity inputs, including those from water softeners, to protect the quality of the waters of the state, if the appropriate regional board makes a finding that the control of residential salinity input will contribute to the achievement of water quality objectives.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Water use efficiency is a key component of water management and water supply reliability in California.

(2) Increasing population, climate change, and the need to reduce greenhouse gas emissions and protect California's fish and wildlife resources make it essential that state and local water suppliers manage water resources as efficiently as possible.

(3) Recycled water provides additional water supplies that are a cost effective and reliable method of helping to meet California's water needs.

(4) The Water Recycling Act of 1991 established a statewide goal to recycle a total of 700,000 acre-feet of water per year by 2000, and one million acre-feet of water by 2010.

(5) In 2005, based upon information in the California Water Plan, the state is 20 years behind in reaching its recycling goals. The California Water Plan indicates that the statewide potential

for recycled water use by 2030 is between 900,000 acre-feet to 1.4 million acre-feet.

(b) By enacting this act, it is the intent of the Legislature to maximize the use of recycled water in California by removing barriers and providing incentives for recycled water use, including using recycled water for groundwater recharge and other appropriate uses while ensuring the protection of public and environmental health.

SEC. 2. Section 10004.6 of the Water Code is amended to read:

10004.6. (a) As part of updating The California Water Plan every five years pursuant to subdivision (b) of Section 10004, the department shall conduct a study to determine the amount of water needed to meet the state's future needs and to recommend programs, policies, and facilities to meet those needs.

(b) The department shall consult with the advisory committee established pursuant to subdivision (b) of Section 10004 in carrying out this section.

(c) On or before January 1, 2002, and one year prior to issuing each successive update to The California Water Plan, the department shall release a preliminary draft of the assumptions and other estimates upon which the study will be based, to interested persons and entities throughout the state for their review and comments. The department shall provide these persons and entities an opportunity to present written or oral comments on the preliminary draft. The department shall consider these documents when adopting the final assumptions and estimates for the study. For the purpose of carrying out this subdivision, the department shall release, at a minimum, assumptions and other estimates relating to all of the following:

(1) Basin hydrology, including annual rainfall, estimated unimpaired streamflow, depletions, and consumptive uses.

(2) Groundwater supplies, including estimates of sustainable yield, supplies necessary to recover overdraft basins, and supplies lost due to pollution and other groundwater contaminants.

(3) Current and projected land use patterns, including the mix of residential, commercial, industrial, agricultural, and undeveloped lands.

(4) Environmental water needs, including regulatory instream flow requirements, nonregulated instream uses, and water needs

by wetlands, preserves, refuges, and other managed and unmanaged natural resource lands.

(5) Current and projected population.

(6) Current and projected water use for all of the following:

(A) Interior uses in a single-family dwelling.

(B) Exterior uses in a single-family dwelling.

(C) All uses in a multifamily dwelling.

(D) Commercial uses.

(E) Industrial uses.

(F) Parks and open spaces.

(G) Agricultural water diversion and use.

(7) Evapotranspiration rates for major crop types, including estimates of evaporative losses by irrigation practice and the extent to which evaporation reduces transpiration.

(8) Current and projected adoption of urban and agricultural conservation practices.

(9) Current and projected supplies of water provided by water recycling and reuse.

(d) The department shall include in the study a discussion of the potential for alternative water pricing policies to change current and projected water uses identified pursuant to paragraph (6) of subdivision (c).

(e) The department shall include in the study the statewide water recycling targets established pursuant to Section 13577 as required by that section.

(f) Nothing in this section requires or prohibits the department from updating any data necessary to update The California Water Plan pursuant to subdivision (b) of Section 10004.

SEC. 3. Section 10633 of the Water Code is amended to read:

10633. The plan shall provide information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area, and shall include all of the following:

(a) A description of the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.

(b) A description in acre-feet of water per year of the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.

(c) A description of the recycled water currently being used in the supplier's service area, including, but not limited to, the type, place, and quantity of use.

(d) A description and quantification in acre-feet of water per year of the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.

(e) The projected use in acre-feet of water per year of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.

(f) A description of actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre-feet of recycled water used per year.

(g) A plan for optimizing the use of recycled water in the supplier's service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.

SEC. 4. Section 13148 is added to the Water Code, to read:

13148. (a) Notwithstanding Article 1 (commencing with Section 116775) of Chapter 5 of Part 12 of Division 104 of the Health and Safety Code, if the appropriate regional board makes a finding at a public hearing that the control of residential salinity input will contribute to the achievement of water quality objectives, any local agency that maintains a community sewer system in an area affected by the finding may by ordinance take action to control residential salinity inputs, including those from water softeners, to protect the quality of the waters of the state. The finding may

be made in any of the following water quality actions adopted by the regional board:

- (1) Water quality control plans.
- (2) Waste discharge requirements.
- (3) Master reclamation permits.
- (4) Water recycling requirements.
- (5) Cease and desist orders.

(b) Actions to control residential salinity inputs authorized under subdivision (a) may include, but are not limited to, the following:

(1) Require that residential self-regenerating water softeners sold within the jurisdiction of the local agency be at the highest efficiency commercially available.

(2) Require that plumbing permits be obtained prior to installation of residential self-regenerating water softeners.

(3) Require that residential self-regenerating water softeners be plumbed to hook up to hot water only.

(4) Require the removal of previously installed residential self-regenerating water softeners.

(5) Prohibit the installation of residential self-regenerating water softeners.

(c) If a local agency adopts an ordinance to require the removal of previously installed residential self-regenerating water softeners pursuant to paragraph (4) of subdivision (b), the local agency shall make available to owners of residential self-regenerating water softeners within its service area a program to compensate the owner of the softener for the reasonable value of the removed softener, as determined by the local agency.

(d) The regional board making a finding pursuant to subdivision (a) shall base its finding on the evidence in the record. The standard of judicial review required for a finding made pursuant to subdivision (a) shall be the same as the standard of review required for the water quality action in which the finding is made.

SEC. 5. Section 13523.1 of the Water Code is amended to read:

13523.1. (a) Each regional board, after consulting with, and receiving the recommendations of, the State Department of Public Health and any party who has requested in writing to be consulted, with the consent of the proposed permittee, and after any necessary hearing, may, in lieu of issuing waste discharge requirements pursuant to Section 13263 or water reclamation requirements pursuant to Section 13523 for a user of reclaimed water, issue a

master reclamation permit to a supplier or distributor, or both, of reclaimed water.

(b) A master reclamation permit shall include, at least, all of the following:

(1) Waste discharge requirements, adopted pursuant to Article 4 (commencing with Section 13260) of Chapter 4.

(2) A requirement that the permittee comply with the uniform statewide reclamation criteria established pursuant to Section 13521. Permit conditions for a use of reclaimed water not addressed by the uniform statewide water reclamation criteria shall be considered on a case-by-case basis.

(3) A requirement that the permittee establish and enforce rules or regulations for reclaimed water users, governing the design and construction of reclaimed water use facilities and the use of reclaimed water, in accordance with the uniform statewide reclamation criteria established pursuant to Section 13521.

(4) A requirement that the permittee submit an annual report summarizing reclaimed water use, including the total amount of reclaimed water supplied, the total number of reclaimed water use sites, and the locations of those sites, including the names of the hydrologic areas underlying the reclaimed water use sites.

(5) A requirement that the permittee conduct periodic inspections of the facilities of the reclaimed water users to monitor compliance by the users with the uniform statewide reclamation criteria established pursuant to Section 13521 and the requirements of the master reclamation permit.

(6) Any other requirements determined to be appropriate by the regional board.

SEC. 6. Section 13523.3 is added to the Water Code, to read:

13523.3. (a) A person that is authorized to supply or distribute recycled water pursuant to any of the following requirements or permits, shall annually report to the state board the amount of recycled water supplied or distributed in the previous year:

(1) Water reclamation requirements issued pursuant to Section 13523.

(2) A master reclamation permit issued pursuant to Section 13523.1.

(3) Waste discharge requirements issued pursuant to Article 4 (commencing with Section 13260) of Chapter 4.

(b) The state board may require the information described in subdivision (a) to be reported electronically in a format specified by the board.

SEC. 7. Section 13576 of the Water Code is amended to read:

13576. The Legislature hereby makes the following findings and declarations:

(a) The State of California is subject to periodic drought conditions.

(b) The development of traditional water resources in California has not kept pace with the state's population, which is growing at the rate of over 700,000 per year and which is anticipated to reach 36 million by the year 2010.

(c) There is a need for a reliable source of water for uses not related to the supply of potable water to protect investments in agriculture, greenbelts, and recreation and to replenish groundwater basins, and protect and enhance fisheries, wildlife habitat, and riparian areas.

(d) The environmental benefits of recycled water include a reduced demand for water in the Sacramento-San Joaquin Delta which is otherwise needed to maintain water quality, reduced discharge of waste into the ocean, and the enhancement of groundwater basins, recreation, fisheries, and wetlands.

(e) In many areas of the state, recycled water is the least energy intensive source of new water supply. Increased statewide use of recycled water will reduce California's energy consumption and help to meet the state's goal of reducing greenhouse gas emissions to 1990 levels.

(f) The use of recycled water has proven to be safe from a public health standpoint, and the State Department of Public Health has updated its regulations for the use of recycled water.

(g) The use of recycled water is a cost-effective, reliable method of helping to meet California's water supply needs.

(h) The development of the infrastructure to distribute recycled water will provide jobs and enhance the economy of the state.

(i) Retail water suppliers and recycled water producers and wholesalers should promote the substitution of recycled water for potable water and imported water in order to maximize the appropriate cost-effective use of recycled water in California.

(j) Recycled water producers, retail water suppliers, and entities responsible for groundwater replenishment should cooperate in

joint technical, economic, and environmental studies, as appropriate, to determine the feasibility of providing recycled water service.

(k) Retail water suppliers and recycled water producers and wholesalers should be encouraged to enter into contracts to facilitate the service of recycled and potable water by the retail water suppliers in their service areas in the most efficient and cost-effective manner.

(l) Recycled water producers and wholesalers and entities responsible for groundwater replenishment should be encouraged to enter into contracts to facilitate the use of recycled water for groundwater replenishment if recycled water is available and the authorities having jurisdiction approve its use.

(m) Wholesale prices set by recycled water producers and recycled water wholesalers, and rates that retail water suppliers are authorized to charge for recycled water, should reflect an equitable sharing of the costs and benefits associated with the development and use of recycled water.

SEC. 8. Section 13577 of the Water Code is amended to read:

13577. (a) This chapter establishes a statewide target to recycle a total of 700,000 acre-feet of water per year by the year 2000 and 1,000,000 acre-feet of water per year by the year 2010. The department shall update the statewide water recycling target every five years, based on consideration of all relevant information, including, but not limited to, information from the state board pursuant to Section 13523.3 and urban water management plans prepared pursuant to Chapter 2.6 (commencing with Section 10610) of Division 6. Beginning in 2013, the department shall include the revised targets in the California Water Plan in accordance with subdivision (b) of Section 10004.

(b) The California Water Plan as updated in 2005 identifies water use efficiency as a foundational action to ensure sustainable water uses in California. In order to achieve the goals established in this section, the department and the state board shall promote the California Water Plan policies related to water use efficiency in the priorities for awarding state water management grants and loans.

SEC. 9. The Legislature hereby finds and declares that the development, adoption, and implementation of water recycling targets as provided by this act is an issue of statewide significance

that is critical to the effective implementation of integrated regional water management in California. It is the intent of the Legislature that funds made available by Section 75026 of the Public Resources Code should be expended, consistent with Division 43 (commencing with Section 75001) of the Public Resources Code and upon appropriation by the Legislature, for grants and direct expenditures to implement Section 13577.

Approved _____, 2008

Governor